

DATE: October, 2006

TO: Authorized Representative/Food Service Director

FROM: Dean Flaws, Commodities Consultant

SUBJECT: 7C (Nov./Dec.) Release

PLEASE ROUTE TO FOOD SERVICE DIRECTOR

1. **7C Order Form.** Enclosed in this mailing you will find the third Commodity Order form for the 2006-07 school year. The third shipment of commodities is being planned to start the week of Nov. 14. The delivery cycle takes approx. 5 weeks.
2. **Internet Ordering** is available for 7C. Go to the Internet address: www.edinfo.state.ia.us, and enter your ID and password on the screen. Then click the submit button. **CLICK** Commodities on the Application menu screen. Now you have two options: General Information or Commodity Order Form. Select Commodity Order Form and click the GO button. Instruction booklets and videos are available by calling this office.
3. **Deletions for 7B:**
 - a.) Potato Wedges in MC warehouse. Reduced in Des Moines warehouse.
 - b.) Sweet potatoes deleted in all warehouses.
 - c.) A reduction of AP Flour in the DesMoines warehouse because of a truck load shipped to another state
 - d.) Turkey Breast Deli deleted until 7C.
4. **Anticipated Dates when Commodity order form will be up and on the web:**

7A	Aug/Sept. Delivery	
7B	October Delivery	
7C	Nov./Dec. Delivery	Oct. 13
7D	January Delivery	Dec. 1
7E	Feb./Mar. Delivery	Jan 15
7F	April Delivery	March 2
5. **Deliveries short/damaged:** When commodities arrive at your school, the product unloaded should be carefully counted and checked to make sure you are receiving the correct amounts. If you discover a shortage or any damage, make sure the driver makes a note on the warehouse release and initials it. **You must have a driver's signature indicating a problem on your delivery, before any adjustment can be made on your billing.** School staff need to sign off on the warehouse release, that everything was received.

6. ***You will notice a Commodity rate adjustment from .1675 to .1852 because of 12% provision.*** This is to clarify what has transpired regarding the 12 percent commodity provision in the National School Lunch Programs (NSLP) and the impact the provision is having on school year (SY) entitlements.

Section 6 (e) of the Richard B. Russell National School Lunch Act requires in each school year, not less than 12 percent of all Federal food assistance provided under section 4,6 and 11 be in the form of commodities. To determine whether the provision is met, FNS does the following calculation using NSLP data for SY 06:

Total commodity assistance divided by total FNS assistance must equal at least 12 percent. Total commodity assistance is determined by adding entitlement commodity earnings (lunches served times the commodity rate) and the value of bonus commodities distributed. Total FNS assistance is determined by adding cash earnings based on meal payment rates, entitlement commodity earnings and the amounts of Nutrition Assistance Grants in lieu of Child Nutrition Programs to America Samoa and Commonwealth of Northern Mariana Islands.

The 12 percent requirement was not met for SY 06 (July 1, 2005 – June 30, 2006). The shortfall equals approximately \$86 million. We have made an adjustment in the Processed Commodity Inventory Management System (PCIMS) to add the \$86 million to States' SY 07 commodity entitlements.

The \$86 million, when allocated between all of the States, equals about \$.0177 per meal served. We added the \$.0177 to the SY 07 published rate of \$.1675 in PCIMS to adjust the State entitlement accounts in the Electronic Commodity Ordering System. The adjusted entitlement rate shows in PCIMS as \$.1852 per meal for SY 07.

7. **Iowa Food and Distribution Program.** If you need additional information, commodity values, or forms for the Commodity Food Distribution programs, please visit our web site at: <http://www.state.ia.us/educate/ecese/fn/commdist/>.
8. **Processed Commodity Food Items for 2006-2007.** All food items coded 2500 or above are processed food items and are an extra cost to your school district. You will be allocated one (1) of each item for all processed foods coded 2500 or above. If you ***do not*** want this product, you must put a "0" in the amount wanted column. You ***do not*** have to take these processed food items. Please note that there is a difference between the commodity value and the price of each item. The commodity value is the amount in each unit of product that is deducted from your school entitlement, unless it is a bonus commodity. The price of each item is the cost of the finished processed product. The school cost does not include the per case shipping and handling fee charged by Keck, Inc. for each case of product shipped. These are all optional products. The costs will be included in the amount you pay Keck, Inc. There will be ***no*** separate billings for processed products.
9. **This is a reminder** that schools who have contracts with storage facilities must review the facility annually, in compliance with Federal regulation 7 CFR Part 250.14©. A storage review form may be obtained from this office. Be sure documentation is maintained on file at your school to reflect

compliance with this requirement.

10. For those schools who do order over the Internet just a couple of reminders:

- a.) Click **UPDATE** after you have put in your order numbers and need to leave the computer for any length of time. You can use update as often as you like.
- b.) When finished putting in your numbers, click **UPDATE**. If it says "*updated successfully*" in red, it took. Now you click **CERTIFY** to send to Des Moines. It will say "*certified successfully*" in red if it went.
- c.) The short time-out feature in this program has been causing problems for those that get interrupted a lot while they are putting the order together. It throws you back to the ID screen when you click update and have been away from the order form too long. We're trying to get this computer feature lengthened time-wise.

11. The Keck, Inc. Standard Operating Procedures (SOP'S) and Hazard Analysis and Critical Control Points (HACCP) plan was mailed in your last commodity mailing. If you can't locate it and need a copy, give this office a call.

12. The State of Iowa has sent NFD milk to , Café Favorites, Eastside Entrees and Schreiber Cheese Company. If you receive products from these venders, talk to your local distributor to see if you can purchase any food items with NFD milk in them, at a discounted price or a rebate.

13. The Iowa State Commodity Advisory Council met in Johnston on Friday, Oct. 6th. If you have any questions or concerns please contact your local member.

2006 – 2007 Commodity Advisory Council.

Joyce Flink, Odebolt-Arthur CSD	712-668-2767
Jeff Reeves, Webster City CSD	515-832-9210
LaRae Doll, Johnston CSD	515-278-0278
Nancy Michels, Independence CSD	319-334-7423
Dalieth Johnston, East Greene CSD	515-436-7721
Sherry Kaiser, Western Dubuque CSD	563-744-3512
Rich Luze, Sioux City CSD	712-279-6860
Ann Lehman, Mt. Pleasant CSD	319-385-7704
Andrea McRell, North Scott CSD	563-285-4612
Lisa Emerson, Sacred Heart-Osage CSD	641-732-3428

14. Split shipments (2006-2007). All schools are encouraged to use the Internet especially if you are a split site. **Split site fees will be charged this year even if you don't use a particular site.** Fees are \$40.50 for in town splits and \$67.50 for out of town splits. You will also now pay from each delivery/invoice used at each site. You won't see a consolidated warehouse release to pay your bill.

15. **Mrs. Clarks Marinara Sauce Cups label error.** This is a 2.0 oz cup not a 1.5 oz cup as indicated on the label.
16. **Be sure to notice other commodity information in the September issue of the “Lunchline”. It is available on the web at the Bureau web site.**

Sincerely,

Dean Flaws, Commodities Consultant (515-281-4032)
Mary Jo Clark, Commodities Assistant (515-281-4751)
Bureau of Nutrition Programs and School Transportation

Enclosures